Table of contents

	Acknowledgments v Executive summary xi				
Chapters					
1	Context for Medicare payment policy				
	Understanding Medicare's initial design and financing				
	Today's concerns about Medicare				
	The broader U.S. health care system				
	Changing Medicare policy within the broader U.S. health care system	18			
2	Assessing payment adequacy and updating payments in fee-for-service Medicare	35			
	Are Medicare payments adequate in 2007?	37			
	What cost changes are expected in 2008?	41			
	How should Medicare payments change in 2008?	41			
	2A Hospital inpatient and outpatient services	47			
	Background	51			
	Are Medicare payments adequate in 2007?	53			
	How should Medicare payments change in 2008?	65			
	The indirect medical education and disproportionate share adjustments	67			
	2B Physician services	95			
	Background	99			
	Are Medicare payments for physician services adequate?	100			
	How should Medicare payments for physician services change in 2008?	116			
	Update recommendation	11 <i>7</i>			
	2C Outpatient dialysis services	125			
	Background	129			
	Are Medicare payments adequate in 2007?				
	How should Medicare payments change in 2008?	143			
	Update recommendation	143			
	Modernizing the outpatient dialysis payment system	143			
	The use of home dialysis is declining	144			
3	Post-acute care providers: An overview of issues	153			
	Barriers to an integrated post-acute care system	155			
	Variation in performance across PAC settings				
	Conclusion				

	3A	Skilled nursing facility services	. 165
		Background	
		Are Medicare payments adequate in 2007?	
		How should Medicare payments change in 2008?	
		Update recommendation	.180
	3B	Home health services	.187
		What is home health care and the home health payment system?	.189
		Are Medicare payments adequate in 2007?	.189
		How should Medicare payments change in 2008?	. 195
		Update recommendation	. 195
		Additional comments	. 195
	3C	Inpatient rehabilitation facility services	.201
		What is inpatient rehabilitation facility care and where is it provided?	.205
		Are Medicare payments adequate in 2007?	
		How should Medicare payments change in 2008?	
		Update recommendation	.212
	3D	Long-term care hospital services	219
	OD.	What is long-term care hospital care and where is it provided?	
		MedPAC recommends facility- and patient-level criteria to better define long-term care hospitals	
		Are Medicare payments adequate in 2007?	
		How should Medicare payments change in 2008?	
			.233
4	Hea	date on Medicare private plans	.239
4	-	• •	.243
		n enrollment in 2006	
			.247
		wth in plans designed for specific populations	
		cy issues related to Medicare's private plans: Past recommendations for Medicare Advantage policy	
		D plan offerings for 2007	
		vious recommendations applicable to Part D policy.	
	1100	Tous recommendations applicable to Fair D policy	. 207
Apı	pendi	ix	
A	Cor	mmissioners' voting on recommendations	269
Acr	onvr	ms	275
	•		2/5
		pout MedPAC	
		sion members	
Cor	nmis	sioners' biographies	281
Cor	nmis	sion staff	285